

## ***MARCH 1999 TAX FACTS***

### **SUMMARY OF GENERAL FUND REVENUES**

	<u>March 1999</u>	Fiscal Year <u>Total</u>
<b>Individual Income Tax</b>		
Net Collections	(\$9,216,954)	\$1,241,306,726
Percent Change	N/A	12.0%
<b>Corporate Income Tax</b>		
Net Collections	\$37,321,474	\$292,763,038
Percent Change	(4.4%)	(5.8%)
<b>Transaction Privilege, Severance &amp; Use Taxes</b>		
Net Collections	\$207,737,964	\$1,889,196,697
Change	8.3%	8.3%
<b>Total Big Three Tax Types</b>		
Net Collections	\$235,842,484	\$3,423,266,460
Percent Change	8.5%	8.1%



# TAX FACTS

March 1999

## INDIVIDUAL INCOME TAX

### Individual Income Tax Receipts

	March 1999	March 1998	% Change
Gross Collections	\$26,166,622	\$23,220,856	12.7%
Withholding	\$185,719,485	\$165,231,253	12.4%
Refunds	(\$192,743,839)	(\$177,613,041)	8.5%
Urban Revenue Sharing	(\$28,359,221)	(\$24,270,298)	16.8%
<b>Net Collections</b>	<b>(\$9,216,954)</b>	<b>(\$13,431,230)</b>	<b>N/A</b>

  

	Fiscal Year Total	Fiscal Year Total	% Change
Gross Collections	\$310,087,264	\$273,745,420	13.3%
Withholding	\$1,545,987,379	\$1,338,424,407	15.6%
Refunds	(\$359,534,926)	(\$335,421,637)	7.2%
Urban Revenue Sharing	(\$255,232,992)	(\$218,432,683)	16.8%
<b>Net Collections</b>	<b>\$1,241,306,726</b>	<b>\$1,108,315,507</b>	<b>12.0%</b>

### Federal Retiree Program

The Federal Retiree Project is drawing to a close. Refunds sent out directly as a result of the Federal Retiree Program is \$2,410 for March and \$0.827 million for the fiscal year. The total revised estimated cost of the FRP project is \$162.1 million. The estimate for the final credit payout for the remaining credit holders is \$.15 million.

### Federal Employees Retirement Contribution Program

The Federal Employees Retirement Contribution Project is also nearing completion. Refunds issued as a result of the FERC project totaled \$6,326 for March and \$0.429 million for the fiscal year. In addition to this amount, \$0 of available credits was used to cover outstanding agency debts. The law firm of Bonn, Lusher, Padden & Wilkins has obtained a temporary restraining order requiring the department to withhold 20% of each claimants refund based on the law firm's claim that they should be entitled to fees from each claimant that benefited from their work. This amount is equal to \$1,265 for the month of March and \$0.088 million for the fiscal year.

### Individual Income Tax Document Count

In calendar year 1998, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	TOTAL
#	38,237	1,142,300	66,008	102,748	280	38,999	569,223	18,721	1,976,516
%	1.9	57.8	3.3	5.2	0.0	2.0	28.8	0.9	

In calendar year 1999 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140PY	140NP R	141	140A	140PTC	140EZ	TOTAL
#	7,103	450,437	11,890	23,541	21	6,028	174,545	12,554	66,589	752,708
%	0.9	59.8	1.6	3.1	0.0	0.8	23.2	1.7	8.8	

The 752,708 returns filed through March 1999 compares to 708,989 filed through March 1998, an annual increase of 6.2%. This count represents multiple tax years. For tax year 1998 filed in 1999, 733,152 returns have been filed, an increase of 6.5% from 1997 returns filed in 1998 for the same period of time.

### **Year-Over-Year Comparison of Resident Taxpayers**

Comparisons of Federal Adjusted Gross Income (FAGI) and tax liability growth between two tax years can be made from taxpayers who have filed for both calendar years to be compared and who have indicated the same marital status on the tax returns for both years. The Department of Revenue has received 470,780 returns in calendar year 1999 for tax year 1998 from filers who also have returns on record from calendar year 1997 with the same marital status. On average, these filers experienced a 6.2% growth in FAGI and a 6.2% increase in tax liability. More specifically, 30.9% of these filers experienced a decrease in tax liability, on average a decrease of 28.3% with a corresponding average decrease in FAGI of 13.8%. Filers showing an increase in tax liability totaled 255,442, or 54.3%, with an average FAGI increase of 20.3% and an average tax liability increase of 33.9%.

### **Average Individual Income Tax Refund**

	Average	Number
1999	\$413.30	265,228
1998	\$409.64	264,538
% Change	0.9%	0.3%

### **"New" Filers in Calendar Year 1999**

Table 1 attached to this report presents the number of "new" returns filed in calendar year 1999 through the end of March. "New" returns are for those filers who did not file in the previous calendar year. Therefore, these filers could be new full-year residents of Arizona, or they may be newly required to file an individual income tax return. (The filer may not have earned enough income in the previous year to file, such as a recent graduate just entering the work force.) The table indicates that 72,792 "new" returns have been filed thus far in 1999, representing approximately 88,656 persons, not including dependents. The average Federal Adjusted Gross Income for these 72,792 returns is \$14,799, with an average tax liability of \$153. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 21.1% had a married filing joint filing status, 5.8% claimed a 65 And Over Exemption and 55.5% claimed dependents.

### **Individual Income Tax Estimated Payments**

Beginning in 1990, individuals are required to make estimated payments to Arizona if their Arizona gross income will exceed \$75,000, in an amount which will represent unpaid tax liability at the end of the taxpayer's tax year. The total estimated payments on the 140ES for tax year 1998 were \$334.2 million, for an average of \$1,773. A total additional \$52.2 million in estimated payments was received as refunds on the 1998 tax returns applied to 1999 estimates, for an average of \$1,780.

3/99	140ES payment	\$1,059,352	Cumulative	\$1,394,486
3/98	140ES payment	\$886,448	Cumulative	\$1,134,672
	percent change	19.5%		22.8%
3/99	Average payment	\$569	Cumulative	\$678
3/98	Average payment	\$491	Cumulative	\$568
	percent change	15.8%		19.3%
3/99	applied refund	\$1,415,359	Cumulative	\$1,517,645
3/98	applied refund	\$1,310,008	Cumulative	\$1,412,111
	percent change	8.0%		7.4%
total 3/99		\$2,474,711	Cumulative	\$2,912,131
total 3/98		\$2,196,459	Cumulative	\$2,546,783
	percent change	12.6%		14.3%

### **Withholding**

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from January 1997 through March 1998, \$403,625,797 was received for the first quarter of 1997. The latest complete quarter (15 months of information has been compiled) is the first quarter of 1998, which shows a growth rate of 10.7% in withholding payments over the first quarter of 1997. Growth in quarters for which information is still being gathered is as follows:

2 <sup>nd</sup> Quarter 1998	13.2%	4 <sup>th</sup> Quarter 1998	10.8%
3 <sup>rd</sup> Quarter 1998	11.2%	1 <sup>st</sup> Quarter 1999	6.5%

The comparisons made above were against the same number of months of collections in the previous year. In other words, the fifteenth month of information available for the fourth quarter of 1998 was compared against the fifteenth month of collections for fourth quarter 1997. Current choices for withholding are 0%, 10%, 17%, 20%, 22%, 28% or 32% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

### **Property Tax Credits**

Arizona allows a refundable property tax credit if you are age 65 or older or if you received Title 16, SSI payments. Additionally, your household income must be below \$3,751 if you live alone, or \$5,501 if you live with another person, to qualify for this credit. The maximum credit is \$502.

	Number	\$	Average
Calendar Year 1999	11,352	3,560,610	313.65
Calendar Year 1998	12,535	3,827,532	305.35
% Change	(9.4%)	(7.0%)	2.7%

### **Contributions on the Individual Income Tax Return**

Through March 1999 the following contributions have been made by individual income tax return filers

	Number	Amount	Average
Wildlife	4,345	\$53,486	\$12.31
Child Abuse	4,987	\$63,175	\$12.67
Special Olympics	2,395	\$22,502	\$9.40
Neighbors Helping	1,527	\$12,680	\$8.30
AID to Education	116	\$10,882	\$93.81
Domestic Violence Shelter	3,605	\$39,362	\$10.92

Democratic Party	288	\$2,410	\$8.37
Republican Party	188	\$2,130	\$11.33
Libertarian Party	55	\$633	\$11.51
Reform Party	11	\$147	\$13.36

## CORPORATE INCOME TAX

### Corporate Income Tax Receipts

	March 1999	March 1998	% Change
Gross Collections	\$43,270,142	\$41,036,030	5.4%
Refunds	(\$5,948,668)	(\$1,989,044)	199.1%
<b>Net Collections</b>	<b>\$37,321,474</b>	<b>\$39,046,986</b>	<b>(4.4%)</b>

	Fiscal Year Total	Prior Fiscal Year Total	% Change
Gross Collections	\$371,974,589	\$399,665,437	(6.9%)
Refunds	(\$79,211,552)	(\$88,984,928)	(11.0%)
<b>Net Collections</b>	<b>\$292,763,038</b>	<b>\$310,680,508</b>	<b>(5.8%)</b>

### Corporate Estimated Payments

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

Mar 1999	\$33,134,006	Calendar Year Total	\$52,000,211
Mar 1998	\$31,005,748	Calendar Year Total	\$55,233,177
& Change	6.9%	% Change	(5.9%)

All corporations with an income tax liability of \$20,000 or greater are required to make their estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment, for March 1999 and for the fiscal year.

Size of Payment ➔	Less than \$50,000	\$50,000 up to \$100,000	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 up to \$10,000,000	\$10,000,00 0 and more	Total	% chg
Mar 1999	279	25	29	3	1	07	337	10.5
Mar 1998	234	41	26	2	2	0	305	
CY 1999	508	53	49	10	2	0	622	8.4
CY 1998	436	68	55	11	4	0	574	

### Corporate Refunds

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 98/99 by corporate fiscal year. For example, in FY 97/98, 2.8% of the refund dollars paid were for corporate fiscal years ending in 1993 or before. The percentages are for refunds paid through the fiscal year.

Corporate Fiscal Year-End:	93 & Prior	94	95	96	97	98
FY 97/98	2.8%	3.5%	5.4%	70.9%	16.9%	0.5%

<b>Corporate Fiscal Year-End:</b>	<b>94 &amp; Prior</b>	<b>95</b>	<b>96</b>	<b>97</b>	<b>98</b>	<b>99</b>
FY 98/99	3.5%	1.2%	3.4%	77.1%	14.6%	0.1%

The corporate refunds shown above are those refunds for which a check is mailed to the corporation. Sometimes corporations choose to apply their refund as an estimated payment. The following table present information on refunds applied as estimated payments in the most recent month and for the calendar year.

Mar 1999	\$5,062,390	Calendar Year Total	\$11,353,080
Mar 1998	<u>\$3,433,303</u>	Calendar Year Total	<u>\$10,101,328</u>
% Change	47.4%	% Change	12.4%

### **Corporate Income Tax Document Count**

The Arizona Department of Revenue received 91,679 corporate returns showing a fiscal year-end of 1997. The type of return received is indicated below:

	<b>120X (amended)</b>	<b>120 (regular)</b>	<b>120S (S corp)</b>	<b>99T (exempt org.)</b>
#	464	51,681	39,178	356
%	0.5	56.4	42.7	0.4

Through March 1999, 25,743 documents have been received for a fiscal year-end of 1998, distributed as follows:

	<b>120 X (amended)</b>	<b>120 (regular)</b>	<b>120S (S corp)</b>	<b>99T (exempt org.)</b>
#	59	18,424	7,151	109
%	0.2	71.6	27.8	0.4

The figures shown above for the 1998 returns are most meaningful when compared to 1997 returns received during the same period of time in the previous year. Through March 1998 the Arizona Department of Revenue received 21,425 documents with a fiscal year-end of 1997. This represents an increase of 20.2% in corporate returns received at this point of time in the calendar year.

### **Urban Revenue Sharing Returned to Cities/Towns**

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed is 15.0% of net income tax collections two years earlier. For example, the money being distributed in Fiscal Year 1998/1999 is based on net income tax collections in Fiscal Year 1996/1997. Amounts returned for March 1999 are shown on Table 2, at the end of this report.

## **TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES**

### **Transaction Privilege, Severance and Use Tax Receipts**

The Arizona transaction privilege and severance tax consists of many categories of tax. These categories include retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non shared. In contrast, contracting is 20% distribution base and 80% non shared. Mining severance is 80% distribution base and 20% non shared. Use tax is 100% non shared.

At the close of each month, the computer aggregates transaction privilege and severance tax collections by category and calculates total distribution base and non shared portions. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax, jet fuel use tax, and over 10 million gallon jet fuel use tax. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	<b>March 1999</b>	<b>March 1998</b>	<b>% change</b>
Distribution Base	\$89,596,152	\$82,735,039	8.3
Non shared	165,092,386	150,691,989	9.6
Use Tax	11,743,866	12,533,303	(6.3)
Other Revenues	32,908,124	22,713,284	44.9
<b>Total Collections</b>	<b>\$299,340,528</b>	<b>\$268,673,615</b>	<b>11.4</b>

	<b>Fiscal Year Total (98/99)</b>	<b>Fiscal Year Total (97/98)</b>	<b>% change</b>
Distribution Base	\$798,450,369	\$746,835,351	6.9
Non shared	1,504,900,538	1,385,837,999	8.6
Use Tax	108,910,628	101,537,634	7.3
Other Revenues	249,389,116	267,367,709	(6.7)
<b>Total Collections</b>	<b>\$2,661,650,650</b>	<b>\$2,501,578,691</b>	<b>6.4</b>

### **Distribution of Transaction Privilege, Severance and Use Tax Receipts**

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund. All of the non shared portion and use tax is deposited into the general fund. Therefore, the "Retained By State" figure presented below includes all non shared portion of transaction privilege and severance tax, use tax and 34.49% of the distribution base collections. "Other" revenues are returned to the administering authority.

	<b>March 1999</b>	<b>March 1998</b>	<b>% change</b>
Retained by State	\$207,737,964	\$191,760,607	8.3
Returned to Counties	36,295,401	33,515,964	8.3
Returned to Cities	22,399,038	20,683,760	8.3
Other	32,908,124	22,713,284	44.9
<b>Total Collections</b>	<b>\$299,340,528</b>	<b>\$268,673,615</b>	<b>11.4</b>

	<b>Fiscal Year Total (99/98)</b>	<b>Fiscal Year Total (98/97)</b>	<b>% change</b>
Retained by State	\$1,889,196,697	\$1,744,959,144	8.3
Returned to Counties	323,452,244	302,543,001	6.9
Returned to Cities	199,612,592	186,708,838	6.9
Other	249,389,116	267,367,709	(6.7)
<b>Total Collections</b>	<b>\$2,661,650,650</b>	<b>\$2,501,578,691</b>	<b>6.4</b>

### **Transaction Privilege and Severance Tax Collections By Class**

	<b>Tax Rate</b>	<b>March 1999</b>	<b>% Chg</b>	<b>Fiscal Year Total</b>	<b>% Chg</b>
Transporting/Towing	5%	\$227,100	(7.3)	\$2,804,110	31.6
Non-Metal Mining/Oil & Gas	3.125%	522,121	14.3	4,937,564	11.9
Utilities	5%	17,933,645	(0.9)	198,424,405	2.8
Communications	5%	9,135,901	7.1	78,540,111	11.1
Railroads/Aircraft	5%	88,180	(24.0)	1,445,683	(0.6)
Private Car/Pipelines	5%	99,844	499.4	684,139	53.3
Publishing	5%	438,807	(9.1)	4,341,030	5.7
Printing	5%	1,649,817	(11.3)	15,316,334	1.0
Restaurants/Bars	5%	24,711,441	8.3	197,027,909	7.6
Amusements	5%	3,661,462	15.7	24,577,720	2.1
Commercial Lease	0%	(557,349)	N/A	(101,545)	N/A

Rental of Personal Property	5%	13,052,818	9.2	116,711,355	17.0
Contracting	3.75% - 5%	39,454,355	22.9	369,039,796	16.6
Feed Wholesale	Repealed	404	185.0	1,004	N/A
Retail	5%	131,193,824	8.6	1,208,604,251	7.1
Advertising	0	(20)	N/A	(20)	N/A
Mining Severance	2.5%	1,484,489	(8.9)	14,140,611	(33.4)
Timber Severance	\$2.13/\$1.51 per 1000 board ft	2,150	135.4	34,495	(32.0)
Hotel/Motel	5.5%	10,998,264	6.3	63,032,892	4.1
Membership Camping	5%	6,803	(26.4)	66,075	6.8
	<b>Tax Rate</b>	<b>March 1999</b>	<b>% Chg</b>	<b>Fiscal Year Total</b>	<b>% Chg</b>
Use/Use Inventory	5%	11,743,907	(6.3)	108,945,419	7.3
Rental Occupancy Tax	3%	16,787	(0.1)	87,407	(9.4)
Jet Fuel Tax	\$.0305/\$.0105 gal	532,892	22.9	3,371,942	(9.4)
<b>Total</b>		<b>\$266,397,641</b>	<b>8.3</b>	<b>\$2,412,032,688</b>	<b>8.0</b>

The Use/Use Inventory category shown above includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the Department.

### **Transaction Privilege and Severance Tax Taxable Sales By Class<sup>1</sup>**

	<b>March 1999</b>	<b>% Chg</b>	<b>Fiscal Year Total</b>	<b>% Chg</b>
Transporting/Towing	\$4,541,998	(7.3)	\$56,082,209	31.6
Non-Metal Mining/Oil & Gas	16,707,863	14.3	158,002,059	11.9
Utilities	358,672,907	(0.9)	3,968,488,100	2.8
Communications	182,718,022	7.1	1,570,802,226	11.1
Railroads/Aircraft	1,763,608	(24.0)	28,913,660	(0.6)
Private Car/Pipelines	1,996,882	499.4	13,682,782	53.3
Publishing	8,776,140	(9.1)	86,820,594	5.7
Printing	32,996,334	(11.3)	306,326,683	1.0
Restaurants/Bars	494,228,813	8.3	3,940,583,264	7.6
Amusements	73,229,236	15.7	491,554,391	2.1
Commercial Lease	(55,337,905)	N/A	(118,594,004)	N/A
Rental of Personal Property	261,056,356	9.2	2,334,227,102	17.0
Contracting	789,087,594	22.9	7,380,847,116	16.6
Feed Wholesale	86,175	185.0	214,032	N/A
Retail	2,623,882,860	8.6	24,172,129,889	7.1
Advertising	(1,614)	N/A	(1,614)	N/A
Mining Severance	59,379,566	(8.9)	565,624,457	(33.4)
Timber Severance	0	N/A	0	N/A
Hotel/Motel	199,968,435	6.3	1,146,086,759	4.2
Membership Camping	136,066	(26.4)	1,321,498	6.8
Use/Use Inventory	230,731,812	(7.6)	2,169,847,126	7.2
Rental Occupancy Tax	559,565	(0.1)	2,913,581	(9.4)
<b>Total</b>	<b>\$5,285,180,712</b>	<b>7.0</b>	<b>\$48,275,871,910</b>	<b>6.7</b>

The Use/Use Inventory category shown above does not include jet fuel use tax. Since the jet fuel use tax is a gallonage tax, taxable income cannot be computed. A comparison can be made of gallons of jet fuel on which Arizona jet fuel tax or jet fuel use tax was paid. In March 1999, 24,269,132 gallons of jet fuel were taxed, a 52.6%

<sup>1</sup>These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

increase from the 15,904,310 reported for March 1998. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

### **Accounting Credit**

Effective to taxable periods beginning from and after July 1, 1995, a credit equal to one percent of the amount of tax due, up to \$10,000 per calendar year, is allowed to businesses for expenses incurred during the accounting and reporting of Transaction Privilege Tax. The amount of accounting credits claimed in March 1999 was \$1,490,221 a 16.0% increase from the \$1,284,968 claimed in March 1998. Accounting credits claimed-to-date in FY 98/99 equals \$10,083,108 a 10.1% increase from the \$9,157,386 claimed to date in FY 97/98.

### **Taxable Sales by SIC Code Range**

The taxable sales by SIC (Standard Industrial Classification) Code ranges are an indicator of business occurring for that type of retail sale. Certain limitations must be understood when using this information.

The Department of Revenue assigns a SIC code to a business based on its primary type of business activity. A grocery store would be assigned a SIC code of 5411. A business that deals primarily with dairy products would have a SIC code of 5451. A problem arises with businesses which derive revenue from multiple business activities. For example, a store like Smitty's might be considered both a grocery store or a department store; however, all revenue would be reported under only one of the two possible codes. In summary, an accurate description of what this information represents would be: "These figures represent taxable retail sales for those businesses which have a primary SIC code falling within one designated range."

If the taxable sales for these ranges were added together, the total would not equal retail taxable sales. This is again due to the primary SIC code assignment. There are businesses making retail sales which do not have a primary retail SIC code.

<b><u>SIC Code Range</u></b>	<b><u>Description</u></b>	<b><u>March 1999</u></b>	<b><u>March 1998</u></b>	<b><u>% Chg</u></b>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$145,364,520	\$127,380,656	14.1%
5311-5399	general merchandise stores	\$264,954,323	\$253,027,319	4.7%
5411-5499	food stores (no food sales)	\$226,892,791	\$212,546,189	6.7%
5511-5521	motor vehicle dealers	\$451,680,850	\$383,317,738	17.8%
5531-5599	misc. automotive, motorcycle & boat stores	\$146,776,192	\$138,565,116	5.9%
5611-5699	apparel & accessory stores	\$159,082,061	\$142,483,249	11.6%
5712-5733	furniture, home furnishings & equipment stores	\$149,331,710	\$132,711,793	12.5%
5912-5949	misc. retail stores	\$199,205,593	\$183,543,684	8.5%
	<b>TOTAL</b>	<b>\$2,623,876,470</b>	<b>\$2,417,215,659</b>	<b>8.5%</b>

<b><u>SIC Code Range</u></b>	<b><u>Description</u></b>	<b><u>Fiscal Yr 1999</u></b>	<b><u>Fiscal Yr 1998</u></b>	<b><u>% Chg</u></b>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$1,296,925,661	\$1,176,451,712	10.2%
5311-5399	general merchandise stores	\$2,702,386,966	\$2,594,551,960	4.2%
5411-5499	food stores (no food sales)	\$2,044,603,845	\$1,950,158,181	4.8%
5511-5521	motor vehicle dealers	\$3,947,681,604	\$3,584,838,699	10.1%
5531-5599	misc. automotive, motorcycle & boat stores	\$1,247,853,704	\$1,167,655,488	6.9%
5611-5699	apparel & accessory stores	\$1,556,946,862	\$1,407,412,204	10.6%
5712-5733	furniture, home furnishings & equipment stores	\$1,345,360,614	\$1,232,587,083	9.1%
5912-5949	misc. retail stores	\$1,826,214,454	\$1,747,530,248	4.5%
	<b>TOTAL</b>	<b>\$24,172,085,020</b>	<b>\$22,559,818,711</b>	<b>7.1%</b>

### **Transaction Privilege and Severance Tax Returned to Counties**

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for March 1999 is shown in the County Share column.

	<b>Dist. Base Collections</b>	<b>County Share</b>	<b>% of Total</b>	<b>FYTD County Share</b>	<b>% Chg</b>
Apache	\$154,391	\$289,115	0.8	\$2,625,306	4.6
Cochise	1,204,950	691,081	1.9	6,145,173	5.7
Coconino	1,864,587	943,658	2.6	9,401,307	3.9
Gila	674,705	325,880	0.9	3,018,646	(4.7)
Graham	266,442	173,138	0.5	1,660,583	4.4
Greenlee	530,922	243,140	0.7	2,422,937	(16.6)
La Paz	323,886	135,231	0.4	1,055,065	8.5
Maricopa	60,047,719	22,780,558	62.8	203,122,572	8.1
Mohave	2,169,366	1,032,595	2.8	8,918,016	4.1
Navajo	1,136,456	560,086	1.5	5,320,092	5.8
Pima	13,946,962	5,815,686	16.0	51,358,211	6.3
Pinal	2,016,280	959,854	2.6	8,077,108	5.4
Santa Cruz	557,097	248,436	0.7	2,184,149	7.3
Yavapai	2,415,183	1,156,627	3.2	10,406,466	6.2
Yuma	2,287,207	940,317	2.6	7,737,123	6.2
<b>Total</b>	<b>\$89,596,152</b>	<b>\$36,295,401</b>		<b>\$323,452,753</b>	<b>6.9</b>

### **Transaction Privilege and Severance Tax Returned to Cities/Towns**

The portion of transaction privilege and severance tax returned to each incorporated city or town for March 1999 is shown on Table 3, attached to this report.

### **County Tax Collections**

The following county-imposed tax collections were received by the Department of Revenue during March 1999 and returned to the counties. County taxes in all but Coconino County are imposed at 10% of the state transaction privilege tax rate. Coconino's Excise Tax is 10% of the state rate, and its Jail Tax is 6% of the state rate. The stadium tax was imposed at 5% of the state rate. This rate completed its run in November, 1997. Collections received now should be for prior periods. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

	<b>Road Tax</b>	<b>Excise Tax</b>	<b>Jail Tax</b>	<b>Rental Car Surcharge</b>	<b>Hospital Tax</b>	<b>Stadium Tax</b>	<b>RV Surcharge</b>
Apache		\$45,338					
Cochise		\$354,344					
Coconino		\$531,401	\$317,324				
Gila	\$184,536	\$179,379			\$11		
Graham		\$81,211					
Greenlee		\$38,852					
La Paz		\$88,710	\$88,720				
Maricopa	\$18,656,001		\$6,638,549	\$471,160		\$52,825	
Navajo		\$325,978					
Pima				\$131,562			\$27,544
Pinal	\$547,835	\$515,311					
Santa Cruz		\$159,890					
Yavapai		\$689,966					
Yuma		\$642,560	\$636,417				

## OTHER TAXES

### Luxury Taxes

The following revenues were received from luxury taxes in March 1999. The table compares the receipts to March 1998 and also compares fiscal-year (FY) totals. Figures may not add to total due to rounding.

	March 1999	March 1998	% Change
Spirituous	\$1,454,567	\$1,592,428	(8.7%)
Vinous	\$522,683	\$621,988	(16.0%)
Malt	\$1,690,476	\$1,387,624	21.8%
Cigarette	\$12,229,001	\$12,354,485	(10.2%)
Other Tobacco	\$267,834	\$272,466	(1.7%)
Tobacco	\$250	\$275	(9.1%)
Licenses			
<b>Total</b>	<b>\$16,164,811</b>	<b>\$16,229,266</b>	<b>(0.4%)</b>

	FY 1999	FY 1998	% Change
Spirituous	\$14,436,832	\$14,116,866	2.2%
Vinous	\$5,864,860	\$5,887,686	(0.3%)
Malt	\$15,045,032	\$14,296,507	5.2%
Cigarette*	\$120,183,287	\$119,543,224	0.5%
Other Tobacco	\$2,566,492	\$2,549,933	0.6%
Tobacco	\$6,675	\$6,225	7.2%
Licenses			
<b>Total</b>	<b>\$158,103,178</b>	<b>\$156,400,441</b>	<b>1.0%</b>

\*In July, 1998, \$352,900 of Cigarette and Tobacco tax collections was allocated for administrative expenses and is not reflected in Fiscal year collections.

#### **General Fund revenues from luxury taxes:**

	March 1999	FY 1999
Spirituous	\$1,017,980	\$10,105,565
Vinous	\$130,095	\$1,462,770
Malt	\$422,619	\$3,761,257
Cigarette	\$3,361,419	\$32,697,892
Other Tobacco	\$41,514	\$397,806
Tobacco	\$250	\$6,675
Licenses		
<b>Total</b>	<b>\$4,973,877</b>	<b>\$48,431,965</b>

#### **Other dedicated revenues from luxury taxes:**

	March 1999	FY 1999
Correction Fund revenues	\$1,859,449	\$17,827,617
Health Care Fund revenues	\$8,632,210	\$85,169,042
Wine Promotional Fund revenues	\$791	\$6,528
Drug Treatment & Education Fund revenues	\$500,001	\$4,772,106
Corrections Revolving Fund revenues	\$198,483	\$1,895,919

### Estate Tax

March 1999	\$16,194,661	Fiscal year To Date	\$68,639,259
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	March 1998	<u>\$4,520,507</u>	Fiscal year To Date	<u>\$46,968,917</u>
% Change		258.2%	% Change	46.1%

**Private Car**

	March 1999	\$3,146	Fiscal year To Date	\$1,441,401
	March 1998	<u>\$513</u>	Fiscal year To Date	<u>\$1,512,119</u>
% Change		513.3%	% Change	(4.7%)

**Bingo**

	March 1999	\$38,297	Fiscal year To Date	\$523,318
	March 1998	<u>\$43,349</u>	Fiscal year To Date	<u>\$549,977</u>
% Change		(11.7%)	% Change	(4.8%)

**Unclaimed Property**

	March 1999	(\$629,110)	Fiscal year To Date	\$10,464,266
	March 1998	<u>\$1,858,012</u>	Fiscal year To Date	<u>\$10,585,004</u>
% Change		N/A	% Change	(1.1%)

Please note that some totals throughout Tax Facts may not add due to rounding.  
SOURCE: ECONOMETRICS SECTION, ARIZONA DEPARTMENT OF REVENUE

**TABLE 2**  
**Urban Revenue Sharing Returned to Cities/Towns**  
**March 1999**

City	Distribution	Population	City	Distribution	Population
<u><b>Apache County</b></u>			Scottsdale	\$1,399,341	168,176
Eagar	\$37,568	4,515	Surprise	89,339	10,737
Springerville	15,976	1,920	Tempe	1,279,897	153,821
St. Johns	27,958	3,360	Tolleson	36,911	4,436
<u><b>Cochise County</b></u>			Wickenburg	39,648	4,765
Benson	\$34,240	4,115	Youngtown	22,416	2,694
Bisbee	54,084	6,500	<u><b>Mohave County</b></u>		
Douglas	122,980	14,780	Bullhead City	\$224,159	26,940
Huachuca City	16,142	1,940	Colorado City	26,543	3,190
Sierra Vista	314,647	37,815	Kingman	139,530	16,769
Tombstone	11,691	1,405	Lake Havasu City	301,916	36,285
Willcox	29,397	3,533	<u><b>Navajo County</b></u>		
<u><b>Coconino County</b></u>			Holbrook	\$42,186	5,070
Flagstaff	\$453,311	54,480	Pinetop-Lakeside	27,467	3,301
Fredonia	10,401	1,250	Show Low	58,145	6,988
Page	66,150	7,950	Snowflake	34,281	4,120
Williams	22,383	2,690	Taylor	22,091	2,655
<u><b>Gila County</b></u>			Winslow	89,697	10,780
Globe	\$58,727	7,058	<u><b>Pima County</b></u>		
Hayden	7,572	910	Marana	\$50,873	6,114
Miami	16,974	2,040	Oro Valley	163,560	19,657
Payson	91,561	11,004	Sahuarita	19,229	2,311
Winkelman	5,625	676	South Tucson	45,364	5,452
<u><b>Graham County</b></u>			Tucson	3,695,535	444,138
Pima	15,393	1,850	<u><b>Pinal County</b></u>		
Safford	72,997	8,773	Apache Junction	\$162,462	19,525
Thatcher	32,925	3,957	Casa Grande	173,736	20,880
<u><b>Greenlee County</b></u>			Coolidge	58,702	7,055
Clifton	\$24,920	2,995	Eloy	74,179	8,915
Duncan	0.00	735	Florence	94,773	11,390
<u><b>La Paz County</b></u>			Kearny	20,427	2,455
Parker	\$24,546	2,950	Mammoth	16,309	1,960
Quartzsite	16,683	2,005	Superior	28,998	3,485
<u><b>Maricopa County</b></u>			<u><b>Santa Cruz County</b></u>		
Avondale	\$189,470	22,771	Nogales	\$171,864	20,655
Buckeye	40,414	4,857	Patagonia	7,863	945
Carefree	19,021	2,286	<u><b>Yavapai County</b></u>		
Cave Creek	25,594	3,076	Camp Verde	\$62,114	7,465
Chandler	1,101,327	132,360	Chino Valley	52,237	6,278
El Mirage	47,769	5,741	Clarkdale	21,634	2,600
Fountain Hills	117,705	14,146	Cottonwood	54,459	6,545
Gila Bend	14,536	1,747	Jerome	3,828	460
Gilbert	493,733	59,338	Prescott	258,657	31,086
Glendale	1,519,483	182,615	Prescott Valley	133,489	16,043
Goodyear	76,966	9,250	Sedona	74,004	8,894
Guadalupe	45,414	5,458	<u><b>Yuma County</b></u>		
Litchfield Park	31,111	3,739	San Luis	\$66,782	8,026

Mesa	2,813,367	338,117	Somerton	48,460	5,824
Paradise Valley	103,576	12,448	Wellton	9,369	1,126
Peoria	620,432	74,565	Yuma	522,473	62,792
Phoenix	9,563,944	1,149,417			
Queen Creek	25,561	3,072	<b>TOTAL</b>	<b>\$28,359,221</b>	<b>3,409,012</b>

**TABLE 3**

**Transaction Privilege and Severance Tax Returned to Cities/Towns**

**March 1999**

City	Distribution	Population	City	Distribution	Population
<b><u>Apache County</u></b>			Queen Creek	\$20,185	3,072
Eagar	\$29,666	4,515	Scottsdale	1,105,007	168,176
Springerville	12,615	1,920	Surprise	70,548	10,737
St. Johns	22,077	3,360	Tempe	1,010,687	153,821
<b><u>Cochise County</u></b>			Tolleson	29,147	4,436
Benson	\$27,038	4,115	Wickenburg	31,309	4,765
Bisbee	42,708	6,500	Youngtown	17,701	2,694
Douglas	97,113	14,780	<b><u>Mohave County</u></b>		
Huachuca City	12,747	1,940	Bullhead City	\$177,010	26,940
Sierra Vista	248,465	37,815	Colorado City	20,960	3,190
Tombstone	9,232	1,405	Kingman	110,181	16,769
Willcox	23,214	3,533	Lake Havasu City	238,412	36,285
<b><u>Coconino County</u></b>			<b><u>Navajo County</u></b>		
Flagstaff	\$357,963	54,480	Holbrook	\$33,313	5,070
Fredonia	8,213	1,250	Pinetop/Lakeside	21,689	3,301
Page	52,236	7,950	Show Low	45,915	6,988
Williams	17,675	2,690	Snowflake	27,071	4,120
<b><u>Gila County</u></b>			Taylor	17,445	2,655
Globe	\$46,375	7,058	Winslow	70,830	10,780
Hayden	5,979	910	<b><u>Pima County</u></b>		
Miami	13,404	2,040	Marana	\$40,172	6,114
Payson	72,302	11,004	Oro Valley	129,157	19,657
Winkelman	4,442	676	Sahuarita	15,185	2,311
<b><u>Graham County</u></b>			South Tucson	35,823	5,452
Pima	\$12,155	1,850	Tucson	2,918,225	444,138
Safford	57,643	8,773	<b><u>Pinal County</u></b>		
Thatcher	26,000	3,957	Apache Junction	\$128,290	19,525
<b><u>Greenlee County</u></b>			Casa Grande	137,193	20,880
Clifton	\$19,679	2,995	Coolidge	46,355	7,055
Duncan	4,829	735	Eloy	58,576	8,915
<b><u>La Paz County</u></b>			Florence	74,838	11,390
Parker	\$19,383	2,950	Kearny	16,131	2,455
Quartzsite	13,174	2,005	Mammoth	12,878	1,960
<b><u>Maricopa County</u></b>			Superior	22,898	3,485
Avondale	\$149,618	22,771	<b><u>Santa Cruz County</u></b>		
Buckeye	31,913	4,857	Nogales	\$135,714	20,655
Carefree	15,020	2,286	Patagonia	6,209	945
Cave Creek	20,211	3,076	<b><u>Yavapai County</u></b>		
Chandler	869,676	132,360	Camp Verde	\$49,049	7,465
El Mirage	37,721	5,741	Chino Valley	41,250	6,278

Fountain Hills	92,947	14,146	Clarkdale	17,083	2,600
Gila Bend	11,479	1,747	Cottonwood	43,004	6,545
Gilbert	389,883	59,338	Jerome	3,022	460
Glendale	1,199,879	182,615	Prescott	204,252	31,086
Goodyear	60,777	9,250	Prescott Valley	105,411	16,043
Guadalupe	35,862	5,458	Sedona	58,438	8,894
Litchfield Park	24,567	3,739	<b><u>Yuma County</u></b>		
Mesa	2,221,610	338,117	San Luis	\$52,735	8,026
Paradise Valley	81,790	12,448	Somerton	38,267	5,824
Peoria	489,932	74,565	Wellton	7,398	1,126
Phoenix	7,552,286	1,149,417	Yuma	412,577	62,792
			<b>TOTAL</b>	<b>\$22,399,038</b>	<b>3,409,012</b>





